

Attachment B: Operation Sandon – proposed government response

The Victorian Government sets out its response to the recommendations made by the Independent Broad-based Anti-corruption Commission (IBAC) in its Operation Sandon Special Report below.

No.	Recommendation	Portfolio	Response
1	<p>The Premier establishes an Implementation Inter-departmental Taskforce (the Taskforce) that is:</p> <p>a) chaired by the Department of Premier and Cabinet and comprises senior representatives of other relevant departments and agencies including, but not limited to, the:</p> <p>i) Department of Transport and Planning ii) Department of Government Services iii) Victorian Public Sector Commission iv) Local Government Inspectorate v) Victorian Electoral Commission.</p> <p>b) responsible for:</p> <p>i) coordinating implementation of IBAC’s recommendations, where immediate action can be taken ii) progressing consideration of longer-term reforms proposed in the special report that require expert analysis and stakeholder consultation iii) making sure that the proposed reforms meet the principles and outcomes set out in IBAC’s report, and that these reforms are implemented for each of the strategic issues iv) reporting quarterly to IBAC, detailing the progress of action taken in response to IBAC’s recommendations v) reporting publicly within 18 months on action taken in response to IBAC’s recommendations,</p>	Premier	<p><u>Support in part</u></p> <ul style="list-style-type: none"> • The government will establish an interdepartmental Taskforce to facilitate cooperation across government and support implementation of the recommendations. • The government notes that recommendations 2, 4, 9, 10, 12, 13, 14 and 33 have been directed at the Premier to direct the Taskforce to implement, noting that portfolio responsibility for these recommendations sits with the Premier, Minister for Planning and Minister for Local Government. • Consistent with Victoria’s system of government, the relevant portfolio ministers are responsible for the implementation of these recommendations, and the role of the Taskforce will be to support ministers in this capacity by facilitating cooperation across departments as required. This is reflected in the response to recommendations 2, 4, 9, 10, 12, 13, 14 and 33, below. • The government is giving further consideration to the appropriate composition of the Taskforce, including the recommended role of independent and regulatory bodies. Under the Westminster system, it is not appropriate for an independent body to be a member of a public service body or to be involved in the development of legislative proposals that are subject to Cabinet consideration. • The government does not support quarterly reporting to IBAC, per recommendation 1(b)(iv), or the request to consult with IBAC officers on the development of an implementation plan and drafting of legislative amendments. A requirement for IBAC, as an independent agency, to be regularly updated and consulted on policy development and legislative change

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	<p>noting that IBAC may further publicly report on the adequacy or otherwise of those proposals. In undertaking this work, the Taskforce should consult IBAC officers on the development of an implementation plan and the drafting of legislative amendments.</p>		<p>is not appropriate, as significant policy development and legislative change is ordinarily subject to Cabinet consideration.</p> <ul style="list-style-type: none"> The government supports the recommendation to report publicly on implementation within 18 months on actions to implement recommendations, but notes that the government (rather than the Taskforce) will be responsible for the report.
2	<p>The Premier ensures that the Taskforce considers and recommends measures to address the corruption risks associated with windfall gains from changes in permissible land use, drawing on any lessons learnt in the development and implementation of the <i>Windfall Gains Tax and State Taxation and Other Acts Further Amendment Act 2021</i>.</p>	Minister for Planning	<p><u>Support in Principle</u></p> <ul style="list-style-type: none"> The government supports introducing measures that will deter corrupt activity associated with changes in permissible land use. The Minister is responsible for the implementation of this recommendation. The Taskforce will support coordination across government to support implementation.
3	<p>The Minister for Planning develops and introduces to Parliament amendments to the <i>Planning and Environment Act 1987</i> (Vic) so that authorisation of a planning scheme amendment operates as a transparent and accountable gateway process by:</p> <ol style="list-style-type: none"> amending section 8A(7) to facilitate proper consideration of the strategic justification and timely authorisation of planning scheme amendments setting clear criteria that the Minister for Planning must consider in exercising their discretion to authorise progression of an amendment, including satisfaction of strategic justification specifying a presumption against amendment for an appropriate period, noting that the reasons for any exemptions should be clear and details made publicly available. 	Minister for Planning	<p><u>Support in Principle</u></p> <ul style="list-style-type: none"> The government recognises the importance of ensuring planning scheme amendments are strategically justified and the authorisation process operates in a timely and transparent manner. Further consideration will be given to the necessary legislative amendments and updates to guidance material that can give effect to the intent of this recommendation.
4	<p>The Premier ensures that the Taskforce considers and recommends amendments to the <i>Planning and</i></p>	Minister for Planning	<p><u>Support</u></p>

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	<p><i>Environment Act 1987</i> (Vic) to ensure that the number of possible outcomes that could be considered ‘correct’ decisions in response to a given proposal at the adoption and approval stages of a planning scheme amendment is narrowed by specifying criteria that must be addressed to the satisfaction of:</p> <ol style="list-style-type: none"> a) the planning authority to adopt an amendment b) the Minister for Planning to approve an amendment. 		<ul style="list-style-type: none"> • More structured decision-making guided by criteria will support greater consistency in the application and use of discretion in decision-making. • The Taskforce will support coordination across government on the implementation of this recommendation by the Minister and department.
5	<p>The Department of Transport and Planning reviews and clarifies guidance to help prioritise competing policy criteria when assessing the merits of a planning scheme amendment, including, but not limited to:</p> <ol style="list-style-type: none"> a) the factors that should be considered in assessing strategic justification b) the hierarchy of broader-scale plans 	Minister for Planning	<p><u>Support</u></p> <ul style="list-style-type: none"> • Victoria’s planning system is policy-driven and often requires balancing competing policy objectives in order to achieve net community benefit and sustainable development for the benefit of present and future generations. • The government supports the development of new or updated guidance material by the Department of Transport and Planning to help assess the merits of proposals against competing policy objectives using standardised and consistent approaches.
6	<p>The Minister for Planning develops and introduces to Parliament amendments to the <i>Planning and Environment Act 1987</i> (Vic) to require the decision-maker to record the reasons for decisions at relevant points in the planning scheme amendment process</p>	Minister for Planning	<p><u>Support</u></p> <ul style="list-style-type: none"> • The government supports amending the <i>Planning and Environment Act 1987</i> to require decision-makers to document reasons for their statutory decisions, including decisions to authorise, adopt and approve planning scheme amendments.
7	<p>The Minister for Planning develops and introduces to Parliament amendments to the <i>Planning and Environment Act 1987</i> (Vic) and/or amends ministerial guidance to require every applicant and person making submissions to a council, the Minister for Planning or Planning Panels Victoria to disclose reportable donations and other financial arrangements that parties have made or have with relevant decision-makers in relation to that planning</p>	Minister for Planning	<p><u>Support</u></p> <ul style="list-style-type: none"> • This reform has the potential to improve transparency in planning processes. • New requirements to disclose reportable donations and other financial arrangements by proponents and submitters should apply to both planning permit applications and planning scheme amendment proposals.

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	matter (with reference to the New South Wales provisions).		
8	The Minister for Planning issues Ministerial Directions for Planning Panels Victoria panels to specify that there is a presumption in favour of the existing planning scheme and state policy settings.	Minister for Planning	<p><u>Support in Principle</u></p> <ul style="list-style-type: none"> The government supports in principle establishing a presumption in favour of the existing planning scheme and state policy settings and will give further consideration to how this may be implemented, noting that there is presently no ability under the <i>Planning and Environment Act 1987</i> for the Minister for Planning to issue Ministerial Directions to Planning Panels Victoria about the assessment of planning proposals.
9	The Premier ensures that the Taskforce considers and recommends amendments to the <i>Planning and Environment Act 1987</i> (Vic) to deter submitters from attempting to improperly influence a council, the Minister for Planning or Planning Panels Victoria in their role in the planning scheme amendment process, including, but not limited to, specifying relevant offences together with appropriate penalties.	Minister for Planning	<p><u>Support</u></p> <ul style="list-style-type: none"> The government notes that genuine community participation in planning matters is essential to democratic decision-making. The Taskforce will support coordination across government on the implementation of this recommendation by the Minister and department.
10	The Premier ensures that the Taskforce engages subject-matter experts and consults stakeholders to develop a model structure for independent determinative planning panels for statutory planning matters that addresses the integrity risks identified in Operation Sandon, having regard to: <ul style="list-style-type: none"> a) the skills mix and method of appointing panel members and the efficacy of rotating panel members b) the scope of panel coverage, being whether all councils should be required to use an independent planning panel, including the option of shared or regional panels in areas where councils handle fewer planning permits 	Minister for Planning	<p><u>Support in Principle</u></p> <ul style="list-style-type: none"> This recommendation will be considered as part of the review and rewrite of the <i>Planning and Environment Act 1987</i> that the government has committed to as part of its recently released <i>Victoria's Housing Statement: The decade ahead 2024-2034</i>.

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	<p>c) the referral criteria that should apply statewide to make clear which matters should be determined by planning panels rather than by council planning officers</p> <p>d) decision-making process and reporting requirements to ensure transparency and accountability of panel decisions</p> <p>e) arrangements to handle complaints about planning panels and review their performance to ensure continuous improvement.</p>		
11	<p>The Minister for Planning develops and introduces to Parliament amendments to the Planning and Environment Act 1987 (Vic) to:</p> <p>a) remove statutory planning responsibilities from councillors</p> <p>b) introduce determinative planning panels for statutory planning matters, where a local council is currently the responsible authority. This is to give effect to the model developed by the Taskforce in response to Recommendation 10.</p>	Minister for Planning	<p><u>Support in Principle</u></p> <ul style="list-style-type: none"> The option to implement new decision-making models will be considered as part of the review and rewrite of the <i>Planning and Environment Act 1987</i> that the government has committed to as part of its recently released <i>Victoria's Housing Statement: The decade ahead 2024-2034</i>.
12	<p>The Premier ensures that the Taskforce engages subject-matter experts and consults with key stakeholders to assess the operation of Part 4AA of the Planning and Environment Act 1987 (Vic) and recommends whether further amendments are required to give full effect to independent panels as the decision-makers for all statutory planning matters, including those where the Minister for Planning is the responsible authority.</p>	Minister for Planning	<p><u>Support in Principle</u></p> <ul style="list-style-type: none"> The option to implement new decision-making models will be considered as part of the review and rewrite of the <i>Planning and Environment Act 1987</i> that the government has committed to as part of its recently released <i>Victoria's Housing Statement: The decade ahead 2024-2034</i>. The operation of Part 4AA of the Planning and Environment Act will be further considered in the context of this work.
13	<p>The Premier ensures that the Taskforce considers and recommends whether the regulatory regime governing donations in Victoria would be strengthened by identifying and prohibiting high-risk groups (including, but not limited to, property developers) from making political donations to</p>	Premier	<p><u>Acquitted</u></p> <ul style="list-style-type: none"> The government wrote to the Electoral Review Expert Panel (Expert Panel) and asked it to consider this recommendation as part of the Expert Panel's review of the government's 2018 reforms to the <i>Electoral Act 2002</i>.

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	political entities and state and local government candidates.		<ul style="list-style-type: none"> The Expert Panel provided its main report to the Premier on 24 November 2023. The government is currently considering the Expert Panel's report and will respond in due course.
14	The Premier ensures that the Taskforce advises the independent panel review of the 2018 electoral reforms to ensure its report appropriately addresses the corruption risks of political donations highlighted in Operation Sandon.	Premier	<p><u>Acquitted</u></p> <ul style="list-style-type: none"> The government wrote to the Expert Panel providing a copy of the Operation Sandon report. The Expert Panel provided its main report to the Premier on 24 November 2023. The government is currently considering the Expert Panel's report and will respond in due course.
15	The Premier ensures that the implementation of Recommendations 3 and 4 from the Donations & Lobbying special report appropriately addresses the lobbying risks highlighted in Operation Sandon.	Premier	<p><u>Support in Principle</u></p> <ul style="list-style-type: none"> The government supports in principle this recommendation, noting that the government has previously agreed to support-in-principle the lobbying recommendations from IBAC's <i>Special Report on corruption risks associated with donations and lobbying</i>. This recommendation will be considered as part of the government's broader lobbying reforms.
16	The Department of Parliamentary Services (DPS) develops guidelines to apply to electorate officers when a Member of Parliament is on extended leave, to ensure electorate officers are appropriately supervised and are subject to clear lines of accountability.	Department of Parliamentary Services	<p><u>Matter for Parliament</u></p> <ul style="list-style-type: none"> The government notes that this recommendation is a matter for the DPS, consistent with DPS's role in supporting electorate officer employment. The government will support DPS with implementation of this recommendation as required.
17	The Minister for Local Government: <ol style="list-style-type: none"> a) ensures that Local Government Victoria develops and maintains a Model Councillor Code of Conduct that includes better practice provisions that will apply to all councils, noting that councils can adopt additional provisions to the extent that they are 	Minister for Local Government	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> The government is considering amendments to the <i>Local Government Act 2020</i> to enable a mandatory Model Councillor Code of Conduct to be prescribed in regulations. This includes consideration of the most effective approach to ensure consistency across all 79 councils and whether

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	<p>consistent with the minimum standards specified in the Model Councillor Code of Conduct</p> <p>b) develops and introduces to Parliament amendments to the Local Government Act 2020 (Vic), or amends relevant regulations to specify that councils must adopt the Model Councillor Code of Conduct.</p>		<p>allowing councils to adopt additional provisions would undermine the objective of this recommendation.</p> <ul style="list-style-type: none"> As part of these reforms, announced in November 2023, the government will be engaging with the local government sector, the Local Government Inspectorate (LGI) and other key stakeholders on the development of a Model Councillor Code of Conduct prior to introduction of proposed legislative amendments early next year. If these amendments are successfully passed by the Parliament, the government will continue to work closely with the sector, the LGI and stakeholders on the development and implementation of regulations prior to the local government general elections in October 2024. This consultation will ensure the Model Councillor Code of Conduct addresses the issues identified by IBAC and reflects the advice provided by stakeholders through the consultation process. A Model Councillor Code of Conduct will drive consistency and transparency across the sector.
18	<p>The Minister for Local Government uses an appropriate mechanism, such as amendments to the <i>Local Government Act 2020</i> (Vic) or relevant regulations, to require that councillors undertake mid-term refresher training on governance, leadership and integrity.</p>	Minister for Local Government	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> Councillor understanding and performance of their statutory role are common areas for improvement identified by integrity bodies and feedback from the local government sector. The government is considering legislative amendments for regular mandatory training for councillors and mayors to support the effective performance of these roles, and any legal rights that may be engaged, including under the <i>Charter of Human Rights and Responsibilities Act 2006</i>. As part of these reforms, announced in November 2023, the government will be engaging with the local government sector, the LGI and other key stakeholders on the

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			<p>development of regular mandatory training for councillors and mayors, prior to introduction of proposed legislative amendments early next year.</p> <ul style="list-style-type: none"> • If these amendments are successfully passed by the Parliament, the Government will continue to work closely with the sector, the LGI and stakeholders on the development and implementation of the mandatory training reforms, prior to the local government general elections in October 2024. This consultation will ensure regular mandatory training addresses the issues identified by IBAC and reflects the advice provided by stakeholders through the consultation process.
19	<p>The Minister for Local Government:</p> <ul style="list-style-type: none"> a) ensures that Local Government Victoria develops and publishes Model Governance Rules to operate as the minimum standards for council meeting procedures b) develops and introduces to Parliament amendments to the Local Government Act 2020, or amends relevant regulations to specify that councils must adopt the Model Governance Rules c) ensures that Local Government Victoria maintains the Model Governance Rules in a way that promotes better practices that apply to all councils, noting that councils can adopt additional rules to the extent that they are consistent with the minimum standards specified in the Model Governance Rules. 	Minister for Local Government	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The government acknowledges that poor council meeting governance presents a corruption risk within the local government sector. • The <i>Local Government Act 2020</i> is a principles-based Act designed to support continuous improvement and innovation in council operations rather than basic compliance. • The Government will consider options to address the issues and risks identified by IBAC that relate to this recommendation, including appropriate legislative amendments and regulations, in keeping with the principles-based approach of the Act. • The Government will ensure any model Governance Rules and/or guidance in relation to council decision-making and the conduct of meetings addresses these matters.
20	The Minister for Local Government encourages diligent, considered councillor decision-making by providing guidance and training to councils on administrative and council meeting best practice.	Minister for Local Government	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The Government will consider options to support councils to improve their decision making and the conduct of meetings, including guidance and training.

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			<ul style="list-style-type: none"> • This recommendation may be addressed through the implementation of Recommendations 18 and 19. • As part of reforms to the <i>Local Government Act 2020</i>, announced in November 2023, the government will be engaging with the local government sector, the LGI and other key stakeholders on the development of regular mandatory training for councillors and mayors, prior to introduction of proposed legislative amendments early next year. This will include consultation relating to training on administrative and council meeting best practice. • If these amendments are successfully passed by the Parliament, the Government will continue to work closely with the sector, the LGI and stakeholders on the development and implementation of the mandatory training reforms prior to the local government general elections in October 2024. This consultation will ensure regular mandatory training addresses the issues identified by IBAC and reflects the advice provided by stakeholders through the consultation process.
21	<p>The Minister for Local Government ensures that Local Government Victoria includes in the Model Code of Conduct for Councillors a clear statement of expectations to guide councillors and staff in their interactions with each other.</p>	<p>Minister for Local Government</p>	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The government is considering amendments to the <i>Local Government Act 2020</i> to enable a Model Councillor Code of Conduct to be prescribed in regulations. • This recommendation will be addressed through the implementation of Recommendation 17. • As part of the reforms announced in November 2023, the government will be engaging with the local government sector, the LGI and other key stakeholders on the development of a Model Councillor Code of Conduct prior to introduction of proposed legislative amendments early next year.

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			<ul style="list-style-type: none"> • If these amendments are successfully passed by the Parliament, the Government will continue to work closely with the sector, the LGI and stakeholders on the development and implementation of regulations prior to the local government general elections in October 2024. This consultation will ensure the Model Councillor Code of addresses the issues identified by IBAC and reflects the advice provided by stakeholders through the consultation process. • A Model Councillor Code of Conduct will drive consistency and transparency across the sector.
22	<p>The Minister for Local Government ensures that Local Government Victoria:</p> <ol style="list-style-type: none"> a) develops and publishes a Model Transparency Policy to specify the minimum standards for council openness and transparency b) ensures that the Model Governance Rules and Model Transparency Policy: <ol style="list-style-type: none"> i) highlight the importance of open government and the related risks in holding pre-council meetings ii) note the limited circumstances in which it may be appropriate to hold pre-council meetings immediately before a public council meeting, such as to discuss procedural arrangements for the meeting iii) makes clear that councillors must not discuss the substance of agenda items in detail, reach agreements on council agenda items in private, and that briefings should involve the presentation of information only 	Minister for Local Government	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The government acknowledges the importance of transparent and open decision making by councils. • The <i>Local Government Act 2020</i> is a principles-based Act designed to support continuous improvement and innovation in council operations rather than basic compliance. • The government notes that, under the Act, Councils are required to adopt and maintain a Public Transparency Policy, which specifies what council information is made publicly available and how it can be accessed. • The government will consider options to support greater transparency and consistency in council decision making, including appropriate and effective guidance, in keeping with the principles-based approach of the Act. • This recommendation may be addressed in part through the implementation of Recommendation 19.

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	<p>c) develops further guidance to explain to councillors why deliberation on an agenda item (not just voting) in public is important, particularly for planning matters.</p>		
23	<p>The Minister for Local Government ensures that the Model Governance Rules expressly prohibit voting en bloc in council meetings.</p>	<p>Minister for Local Government</p>	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The <i>Local Government Act 2020</i> is a principles-based Act designed to support continuous improvement and innovation in council operations rather than basic compliance. • The government notes that, under the Act, councils are required to develop Governance Rules which specify how their meetings are to be conducted. The ability for councils to determine how their own meetings will be conducted provides flexibility for councils to meet local community expectations and conditions. • The government will consider options to address the issues and risks identified by IBAC that relate to this recommendation, including appropriate and effective guidance, in keeping with the principles-based approach of the Act. • This recommendation may be addressed in part through the implementation of Recommendation 19.
24	<p>The Minister for Local Government ensures that the Model Governance Rules require council meeting minutes to state:</p> <ul style="list-style-type: none"> a) the names of councillors who spoke on each motion b) the names of councillors who voted for and against each motion (regardless of whether a division was called). 	<p>Minister for Local Government</p>	<p><u>Support in Principle</u></p> <ul style="list-style-type: none"> • The <i>Local Government Act 2020</i> is a principles-based Act designed to support continuous improvement and innovation in council operations rather than basic compliance. • The government notes that, under the Act, councils are required to develop Governance Rules which specify how their meetings are to be conducted. The ability for councils to determine how their own meetings will be conducted provides flexibility for councils to meet local community expectations and conditions. • The government will consider options to address the issues and risks identified by IBAC that relate to this

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			<p>recommendation, including appropriate and effective guidance, in keeping with the principles-based approach of the Act.</p> <ul style="list-style-type: none"> • This recommendation may be addressed through the implementation of Recommendation 19.
25	<p>The Minister for Local Government ensures that Local Government Victoria undertakes a review, and introduces related reforms, to ensure that councillor breaches of the conflict-of-interest provisions are addressed in a timely and effective manner.</p>	<p>Minister for Local Government</p>	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The Chief Municipal Inspector (CMI) is responsible for investigating and prosecuting alleged breaches of the <i>Local Government Act 2020</i>, including in relation to conflicts of interest. The CMI can also bring an application for serious misconduct against a councillor for failing to disclose a conflict of interest. • The government will consider options to support an improved response to breaches of the legislative requirements in relation to conflicts of interest. • This recommendation may be addressed in part through the implementation of Recommendations 26-29 and 33.
26	<p>The Minister for Local Government ensures that the Model Governance Rules stipulate that:</p> <ol style="list-style-type: none"> a) council officer reports on local government planning matters be accompanied by: <ol style="list-style-type: none"> i) a schedule of reportable donations and other financial arrangements that parties have made or have with councillors (as discussed in Recommendation 7) ii) a statement of the interested parties that includes details of the parties affected by the motion before council, such as the names of personnel, company names and registered addresses b) councillors must acknowledge that they have read the schedule of reportable donations and other financial arrangements and the statement of 	<p>Minister for Local Government</p>	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The <i>Local Government Act 2020</i> is a principles-based Act designed to support continuous improvement and innovation in council operations rather than basic compliance. • The government notes that, under the Act, councils are required to develop Governance Rules which specify how their meetings are to be conducted. The ability for councils to determine how their own meetings will be conducted provides flexibility for councils to meet local community expectations and conditions. • The government will consider options to address the issues and risks identified by IBAC that relate to this recommendation, including appropriate and effective guidance, in keeping with the principles-based approach of the Act.

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	involved parties before declaring whether they have a conflict of interest in the relevant agenda item for any local government planning matters.		<ul style="list-style-type: none"> This recommendation may be addressed in part through the implementation of Recommendations 11 and 19.
27	<p>The Minister for Local Government ensures that the Model Governance Rules (such as through an amendment to clause 18.3 of the draft rules):</p> <ol style="list-style-type: none"> a) provide a clear process for disclosing all conflicts of interest, including those that involve privacy matters. This process must set out: <ol style="list-style-type: none"> i) precisely what matters will be included in the declaration and public register ii) how declarations involving privacy matters will be recorded iii) how long records will be retained b) require councillors to disclose, in sufficient detail, the circumstances that give rise to a conflict of interest, including, but not limited to, the names of the people or entities associated with the conflict and their relationship to the councillor. 	Minister for Local Government	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> The <i>Local Government Act 2020</i> is a principles-based Act designed to support continuous improvement and innovation in council operations rather than basic compliance. The government notes that, under the Act, councils are required to develop Governance Rules which specify how their meetings are to be conducted. The ability for councils to determine how their own meetings will be conducted provides flexibility for councils to meet local community expectations and conditions. The government will consider options to address the issues and risks identified by IBAC that relate to this recommendation, including appropriate and effective guidance, in keeping with the principles-based approach of the Act. This recommendation may be addressed through the implementation of Recommendation 19.
28	<p>The Minister for Local Government ensures that Local Government Victoria develops model conflict-of-interest training, and an associated strategy to ensure that its completion is enforceable, to consistently reinforce conflict-of-interest obligations across councils. The training should:</p> <ol style="list-style-type: none"> a) explain why a councillor cannot or should not participate in the decision-making process for a matter in which they have a conflict, during or outside council meetings b) ensure that councillors understand their obligation to: 	Minister for Local Government	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> The government is considering legislative amendments for regular mandatory training for councillors and mayors to support the effective performance of these roles. Careful consideration will need to be given to making training mandatory in the broader context of democratic representation. This recommendation may be addressed through the implementation of Recommendations 18-20, 22, 24-27, 29 and 33. As part of the reforms announced in November 2023, the government will be engaging with the local government sector, the LGI and other key stakeholders on the

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	<ul style="list-style-type: none"> i) familiarise themselves with the parties who donate to any political, charitable or community interests with which the councillor has an involvement ii) assess whether those donations give rise to a conflict of interest for particular council matters iii) provide precise details of the nature of the conflict when declaring a conflict of interest. 		<p>development of regular mandatory training for councillors and mayors, prior to the introduction of proposed legislative amendments early next year. This will include consultation relating to training on conflicts of interest.</p> <ul style="list-style-type: none"> • If these amendments are successfully passed by the Parliament, the Government will continue to work closely with the sector, the LGI and stakeholders on the development and implementation of the mandatory training reforms, prior to the local government general elections in October 2024. This consultation will ensure regular mandatory training addresses the issues identified by IBAC and reflects the advice provided by stakeholders through the consultation process.
29	<p>The Minister for Local Government develops and introduces to Parliament amendments to the Local Government Act 2020 (Vic) to:</p> <ul style="list-style-type: none"> a) expressly prohibit councillors with a conflict of interest from attempting to influence other councillors (with reference to the Queensland provisions) b) specify an appropriate penalty for councillors who contravene this provision. 	Minister for Local Government	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The government will consider options to make these matters more explicit, including through legislative amendments and / or guidance. • This recommendation may be addressed through the implementation of Recommendations 18-20, 22, 24-27, 29 and 33. • As part of reforms to the <i>Local Government Act 2020</i> announced in November 2023, the government will be engaging with the local government sector, the LGI and other key stakeholders on the development of regular mandatory training for councillors and mayors, prior to the introduction of proposed legislative amendments early next year. This will include consultation relating to training on conflicts of interest. • If these amendments are successfully passed by the Parliament, the government will continue to work closely with the sector, the LGI and stakeholders on the development and implementation of the mandatory training

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			<p>reforms, prior to the local government general elections in October 2024. This consultation will ensure regular mandatory training addresses the issues identified by IBAC and reflects the advice provided by stakeholders through the consultation process.</p>
30	<p>The Minister for Local Government ensures that Local Government Victoria reviews the available sanctions for misconduct to ensure that the options provided are adequate and applied in an appropriate way. This includes, but is not limited to, ensuring that the option to direct that a councillor be ineligible to hold the position of mayor after a finding of misconduct can be applied in a way that is both proportional to the conduct and timebound.</p>	<p>Minister for Local Government</p>	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The government is considering legislative amendments to strengthen the councillor conduct framework, including in relation to the penalties for misconduct. • As part of these reforms, announced in November 2023, the government will be engaging with the local government sector, the LGI and other key stakeholders on strengthening the councillor conduct framework, prior to the introduction of proposed legislative amendments early next year. This will include consultation relating to the development of appropriate sanctions for misconduct. • If these amendments are successfully passed by the Parliament, the government will continue to work closely with the sector, the LGI and stakeholders on the development and implementation of reforms to the councillor conduct framework, prior to the local government general elections in October 2024. This consultation will ensure these reforms addresses the issues identified by IBAC and reflect the advice provided by stakeholders through the consultation process. • In addition, the government notes that the LGI is reviewing the Councillor Conduct Framework. The Government will consider the findings of this review to inform the implementation of this recommendation.
31	<p>The Minister for Local Government ensures that Local Government Victoria includes in the Model Councillor Code of Conduct a clear statement that:</p>	<p>Minister for Local Government</p>	<p><u>Support in principle</u></p>

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	<p>a) council officers and members of the public may make a complaint to the Chief Municipal Inspector</p> <p>b) a CEO must notify IBAC under section 57 of the Independent Broad-based Anti-corruption Commission Act 2011 (Vic) if they suspect on reasonable grounds that a breach of the Model Councillor Code of Conduct involves corrupt conduct.</p>		<ul style="list-style-type: none"> • The government will consider these matters in the development of a mandatory Model Councillor Code of Conduct. • This recommendation will be addressed through the implementation of Recommendation 17. • As part of reforms to the <i>Local Government Act 2020</i> announced in November 2023, the Government will be engaging with the local government sector, the LGI and other key stakeholders on the development of a Model Councillor Code of Conduct prior to the introduction of proposed legislative amendments early next year. This will include consultation on clarifying options and obligations relating to complaints and notifications to the CMI. • If these amendments are successfully passed by the Parliament, the government will continue to work closely with the sector, the LGI and stakeholders on the development and implementation of regulations prior to the local government general elections in October 2024. This consultation will ensure the Model Councillor Code of addresses the issues identified by IBAC and reflects the advice provided by stakeholders through the consultation.
32	<p>The Minister for Local Government develops and introduces to Parliament amendments to the Local Government Act 2020 (Vic) to require that the Principal Councillor Conduct Registrar collate and publish data annually on:</p> <p>a) the internal arbitration process, including:</p> <ol style="list-style-type: none"> i) the number of applications received ii) the number of applications withdrawn iii) the nature of the issues raised iv) the outcome of completed arbitration processes 	Minister for Local Government	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The government notes that the <i>Local Government Act 2020</i> requires councils to table a copy of an arbiter's and Councillor Conduct Panel's decision and statement of reasons at the next Council meeting after the Council received the copy of the decision and statement of reasons and recorded in the minutes. • The Local Government Performance Reporting Framework is reviewed annually. The 2024 review will consider how this data is best captured and reported taking into consideration legislative requirements in relation to confidentiality and privacy.

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	<p>v) the cost to the council of dealing with arbitrated matters, including staff costs</p> <p>b) councillor conduct panels, including:</p> <p>i) the number of applications received</p> <p>ii) the number of applications withdrawn</p> <p>iii) the nature of the issues raised</p> <p>iv) the outcome of completed panel processes</p> <p>v) the cost to the council of dealing with panel matters, including staff costs.</p>		
33	<p>The Premier ensures that the Taskforce identifies the most appropriate mechanism to support a council CEO in making a mandatory notification about serious misconduct. This includes suspected breaches of the conflict-of-interest provisions by councillors – in particular, breaches involving material conflicts of interest – noting that the Chief Municipal Inspector has the authority to apply to a councillor conduct panel or prosecute a councillor for misuse of position due to a conflict of interest, but is not currently authorised to receive a mandatory notification concerning a councillor from a CEO, under the <i>Public Interest Disclosure Act 2012</i> (Vic).</p>	<p>Minister for Local Government</p> <p>Attorney-General</p>	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The government understands that this recommendation intends to establish a mandatory notification process for CEOs in relation to suspected councillor conflicts of interests to strengthen the oversight of conflicts of interest and the integrity of council decision-making. • The government will consider how this recommendation can be addressed to improve the oversight of conflicts of interest while ensuring that councillors rather than CEOs remain responsible for determining if they have a conflict of interest in a matter.
34	<p>The Minister for Local Government develops and introduces to Parliament amendments to the <i>Local Government Act 2020</i> (Vic), or amends relevant regulations, and institutes related enabling processes, to promote greater consistency and independent oversight of recruitment and employment of council CEOs by:</p> <p>a) mandating that councils use a standard employment contract for CEOs that:</p> <p>i) - covers, among other things, the role of the CEO, performance review and management,</p>	<p>Minister for Local Government</p>	<p><u>Support in principle</u></p> <ul style="list-style-type: none"> • The government understands that this recommendation intends to improve the consistency and transparency of council decisions in relation to the employment of a council CEO. • The government will consider options to achieve greater consistency in CEO employment matters across the sector in a way that acknowledges that currently the employment decisions in relation to a CEO are matters for councils. • In considering options, the government will work with the peak bodies for local government and the Local Government Inspectorate.

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	<p>and termination payment (including limits on such payments)</p> <ul style="list-style-type: none">ii) - bans non-disclosure agreements between councils and CEOs or former CEOsb) amending section 45 to require each council to establish a committee to determine matters relevant to the recruitment, employment and remuneration of the CEO. The committee must be chaired by an independent professional with executive experience in local or state government, and the majority of its members must be external to the council		
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